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# AGRICULTURAL COOPERATION

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## AUTHORITY OF PRESIDENT OF ASSOCIATION OR CORPORATION.

What is the authority of the president of a corporation or association by virtue of his office? This is the question raised by the case of *In re National Consumers Exchange*, 230 Fed. 449.

In this case a chattel mortgage for \$5,000 was executed by its President without authority from the corporation and was held invalid and hence unenforceable. One Hale was the promoter of the National Consumers Exchange and after its formation became its president. It was engaged in business at Baltimore, Maryland. He applied to the Maryland Finance Corporation of that city for a loan of \$5,000 to be secured by a chattel mortgage on property of the exchange. As a result of this application, on the 1st of February, 1921, Hale gave a chattel mortgage to the Maryland Finance Corporation signed "National Consumers Exchange, Inc., by D. Everett Hale, President." The corporate seal of the exchange was attested by its assistant treasurer. This mortgage was never authorized at any meeting of the board of directors and it does not appear that any director other than Hale ever knew anything about it. The by-laws of the National Consumers Exchange did not confer upon the president the power to execute mortgages. Soon after the execution of the mortgage the exchange went into bankruptcy and the right of the Maryland Finance Corporation to enforce the mortgage was raised in this proceeding. Hale agreed that the exchange would pay the Maryland Finance Corporation \$750 for making the loan, and hence the amount advanced by this corporation was only \$4,250. The Court in holding the mortgage invalid, among other things, said:

All the authorities and all the text-writers agree that, as a general rule, the president of a corporation has no power to mortgage its assets, without the authority of the board of directors. If there ever was a case in which this rule should be applied, it is the one at bar. Neither directors nor stockholders had any actual knowledge of the making of the mortgage. There was no previous practice which might have led others to assume that the president had the authority which he undertook to exercise. Moreover, the lender was in the business of making loans. It would have been easy for it to have seen that all proper formalities had been observed. The disproportionate compensation it was receiving for the advance it was

making should have warned it to be careful as to what it was doing. It would have been a simple matter to have called for a production of the by-laws of the bankrupt, and to have declined to make the loan until proper authority had been given for its execution. The \$4,250, advanced by the petitioner, was almost immediately transferred by Hale to his personal account. If his story is believed, it was used to pay certain preexisting debts of the bankrupt. None of it is traced into any of the assets which came into the hands of the trustee in bankruptcy.

The officers of a corporation are its agents, and they have only such power as may have been conferred upon them by its charter, by its by-laws or by the Board of Directors. In the case of *Ney v. Eastern Iowa Telephone Company*, (Iowa) 144 N. W. 383, the president of the Telephone Company employed an attorney to do certain work for it. It was held that the contract involved was not binding on the company for the reason that the president was not authorized to make contracts of that character. In this case the Court said concerning the office of president:

The office, in itself, confers no power to bind the corporation, or control its property. The president's power as agent must be sought in the organic law of the corporation, in a delegation of authority from it directly, or through its board of directors, formally expressed or implied from the habit or custom of doing business.

It must not be assumed from what has been said that a corporation will never be held liable on a contract unless the president or other officer executing it was expressly authorized to make contracts of that character. For instance, if a corporation knowingly receives the benefits of an unauthorized contract, it will be held liable thereon. In *Western National Bank v. Armstrong*, 152 U. S. 346, it is said:

It is true that a corporation may become liable upon contracts assumed to have been made in its behalf by an unauthorized agent by appropriating and retaining, with knowledge of the facts, the benefits of the contracts so made on its behalf.

Again, if the president or other officer of a corporation has been in the habit of conducting its business, although never formally authorized to do so, it may be inferred therefrom that he was authorized to make the necessary contracts for that purpose. *National State Bank v. Vigo County National Bank*, 141 Ind. 352, 40 N.E. 799. The general rule on this subject is thus stated in *Cook on Corporations*, Vol. 3, Sec. 716.

The president of a corporation has no power, by reason of his office alone, to buy, sell, or contract for the corporation, nor to control its property, funds or management. His duty is merely to preside at meetings of the board of directors, and to perform only such other duties as the by-laws or resolutions of the board of directors may expressly authorize. This is a rule established by the great weight of authority.

The board of directors may of course expressly authorize the president to contract; or his authority to contract may arise from his having assumed and exercised that power in the past; or the corporation may ratify his contract or accept the benefits of it and thereby be bound.

The officers of a corporation or association should be expressly authorized by it to perform all acts which the corporation desires them to perform and on the other hand those dealing with a corporation should ascertain if its officers have the requisite authority.

L. S. Hulbert.

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#### NINE COUNTIES ACTIVE IN COOPERATIVE SELLING

In nine counties of the United States there were more than two thousand farms each from which products were sold through cooperative organizations in 1919. Four of these counties were in California, four in Minnesota and one in Michigan. The counties and the number of farms for each, as reported by the Bureau of the Census, are as follows: Fresno, Calif., 5,281; Otter Tail, Minn., 4,328; Los Angeles, Calif., 3,900; Wright, Minn., 3,147; Stearns, Minn., 3,066; Orange, Calif., 2,287; Hillsdale, Mich., 2,142; Goodhue, Minn., 2,102; Tulare, Calif., 2,025;. Fresno County, Calif., is the home of the Sun-Maid Raisin Growers, the California Peach and Fig Growers, and the Danish Creamery Association, three large cooperative selling associations.

There are in Otter Tail County, Minn., cooperative enterprises as follows: creameries, 25; elevators, 13; potato-shipping associations, 3; stores, 2. In addition to these, one-half of the live stock shipped from the county is handled on a cooperative basis.

Los Angeles, Calif., is headquarters for the following farmer-controlled selling associations; California Fruit Growers' Exchange, California Milk Producers' Association, California Walnut Growers' Association, California Growers' Association, Poultry Producers of Southern California, Inc., and a number of others.

Wright County, Minn., is credited with 20 cooperative creameries, 1 cheese factory, 6 elevators, 1 potato-shipping association, and 4 cooperative stores. Three-fourths of the live stock is shipped through cooperative agencies.



STATE COTTON ASSOCIATIONS REPORT MANY NEW MEMBERS

Over 44,000 names were added to the membership lists of the twelve State associations composing the American Cotton Growers' Exchange during the drive conducted the past summer. The total membership of the twelve associations is now reported as in excess of 225,000.

The latest available figures regarding both new members and the present total membership are given below:

Associations	: Members Added : : in 1923 :	: Total Members : September 1 :
Alabama Farm Bureau Cotton Association	: 4,000	: *20,300
Arizona Pima Cotton Growers	: (No campaign)	: 1,283
Arkansas Cotton Growers' Association	: 4,342	: 10,697
Georgia Cotton Growers' Cooperative Assn.	: 22,620	: *38,000
Louisiana Farm Bureau Cotton Growers' Cooperative Association	: 214	: 5,169
Mississippi Farm Bureau Cotton Association	: 180	: *19,040
Missouri Cotton Growers' Cooperative Assn.	: 1,535	: 31,892
North Carolina Cotton Growers' Coop. Assn.	: 10,087	: 50,618
Oklahoma Cotton Growers' Association	: 1,115	: 13,600
South Carolina Cotton Growers' Coop. Assn.	: 6,441	: 29,162
Tennessee Cotton Growers' Association	: 29,162	: 225,720
Texas Farm Bureau Cotton Association	: 44,093	: 225,720
Total	: 44,093	: 225,720

\*Estimates based on recent information.

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EXPECT TO ADVANCE SIXTY DOLLARS A BALE ON COTTON

Final figures released by the Arkansas Cotton Growers' Cooperative Association, Little Rock, Ark., give the average price received by the association for all cotton sold during the last business year as 26.95¢ a pound. The total receipts for the 1922 cotton sold were \$8,622,373.03. The total number of bales handled was 63,548.

The association has established a line of credit of \$10,000,000 for use in handling the 1923 crop. Of the total amount \$5,000,000 is provided by the Intermediate Credit Association, \$3,000,000 by the Little Rock Clearing House Association, and \$2,000,000 by St. Louis banks. It is planned to make an advance of \$60 a bale on all cotton delivered. The Arkansas association will perform the selling function for the Missouri and Tennessee associations.

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OKLAHOMA COTTON ASSOCIATION PLANNING EDUCATIONAL WORK

A cotton exhibit is being prepared by the Oklahoma Cotton Growers' Association, Oklahoma City, Okla., for the annual state fair. Displays illustrating the processes in the manufacture of cotton will be arranged.

COOPERATION IN ESTHONIA.

The cooperative movement in Esthonia has a history of some 25 years. The first cooperative dairy was founded in 1898, the first loan-savings association and the first consumers' society in 1902, according to a report issued by the Esthonian Cooperative Wholesale Society, Ltd., Reval. On January 1, 1923, Esthonia had 273 consumers' societies, 107 loan-savings associations, 98 cooperative dairies, 108 potato associations, 109 peat associations, 95 live stock breeding societies, and in addition a large number of cooperative machine-using and insurance societies.

The majority of the primary associations of Esthonia are federated in central societies. Both local and central organizations are governed by the Rochdale principles of cooperative democracy and management. They elect boards of management, advisory councils, and inspection committees, - all of them responsible to the meeting of delegates, which is convened annually.

The Esthonian Cooperative Wholesale Society (Eesti Tarvitajate Keskuhisus) was founded in 1917 as the federating center for the consumers societies. The locals are responsible for the liabilities of the wholesale to the extent of the shares which they hold. The wholesale regularly assigns 20% of the net profits to the reserve capital, and 20% to the initial capital. The dividend on shares does not usually exceed 6%. Each local society is entitled to send representatives to the delegates meeting, not exceeding four in number, in proportion to its trade with the wholesale society in the preceding year. The wholesale supplies the consumers in agricultural and urban districts with household and farm requirements of all sorts. It is engaged, at the same time, in marketing the agricultural product consigned to it on commission. At present the 260 local consumers' societies operate 278 distributive stores; therefore, only a few societies operate more than one store. The following table shows the membership and turnover for the past six years:

	: Societies :	Membership of	:	Turnover of	:	Turnover of
	: Federated :	Societies	:	Wholesale	:	Members
Jan. 1.:	:	:	:	:	:	Societies
1917	: 55	: 8,830	:	1,862,000	:	8,416,214
1918	: 78	: 25,428	:	4,269,704	:	12,804,927
1919	: 156	: 65,195	:	38,418,461	:	81,747,538
1920	: 225	: 97,303	:	210,971,907	:	476,659,574
1921	: 250	: 99,312	:	385,655,838	:	1,135,276,093
1922	: 255	: 94,732	:	1,538,837,479	:	1,592,335,830
1923	: 260	: 100,250	:	.....	:	.....

(In 1917 the turnover is expressed in Russian rubles. From 1918 on, the sums represent Esthonian marks)

The membership in the 260 consumers' societies federated in the wholesale represents about 12% of the total population of 1,300,000. About one-half of the sales of the wholesale during the last two years, 1921 and 1922, were to member organisations. Between 56 and 60% of

goods handled by the wholesale are purchased at home; 6-10% in the United States; 7-13% in Germany; 7-9% in England, and the remainder is distributed among the other countries of Europe. The wholesale finds a market for its goods at home to the extent of about 30%, it exports 10% of all sales to Soviet Russia; 5% to Germany, and the remainder to France, England, Belgium, Sweden and England. The capital stock of the wholesale is 50,000,000 Estonian marks (\$147,000), and its turnover in 1922 was about 1,539,000,000 marks (\$4,526,140).

The Central Agricultural Union (Pollumajandusline Keskühisus "Estonia") was organized in 1911 as the central union of the dairy societies. Later the membership was enlarged to include organizations for the sale of all kinds of agricultural products, such as grain, meat, eggs, etc. Not only cooperative societies but individual farmers are allowed to become members. On January 1, 1922, the society had 234 members, of which 102 were agricultural societies and 132 private farmers. The turnover in 1921 amounted to 143,000,000 Estonian marks (\$420,588). The membership on September 1, 1922, was 171 societies and 133 farmers, and the turnover for eight months was 351,000,000 marks (\$1,032,350). Besides being a marketing organization, the "Estonia" operates a sausage plant, a meat curing factory, and a dairy farm. It also owns an agricultural estate and dairy school.

Another central commodity organization is the Estonian Union of Potato Growers' Associations (Kartuliühisuste Liit), organized in 1921, in order to improve the cultivation of the potato and centralize the marketing of manufactured products of commercial alcohol and starch. On January 1, 1923, the Central Union had a membership of 50 potato societies in which were organized 1,138 farmers. Each society had a spirit distillery, with a total estimated output of about 18,000,000 degrees per annum, one-third of which is usually shipped abroad.

The loan-savings associations set up the Estonian National Bank (Eesti Rahva Pank) in 1920, with a share capital of 11,380,000 Estonian marks (\$12,880). However, in view of the financial condition of the country the affairs of the bank have not developed to any extent but it is hoped that the bank will become the central financial institution for the cooperatives of Estonia. The bank is managed by a board of directors elected by the general meeting of stockholders, and a council of six members similarly elected, for a term of three years. In the case of the cooperative bank, the stockholders vote in proportion to the number of shares held by them. However, the organization of the bank is such that two-thirds of the shares must be owned by cooperative bodies, issued in their names, and two-thirds of the members of the bank's council must be representatives of cooperative institutions. On January 1, 1923, the bank's balance sheet showed a share capital of 107,529,724 Estonian marks (\$316,275).

The coordinating center of the cooperative movement is the so-called Estonian Cooperative Union (Eesti Ühistegeline Liit). The attempt to organize a center of cooperative propaganda and education dates from 1910, with the publication of a cooperative newspaper by the Dorpat Loan-Savings Association. The present union was organized in 1919. It aims to develop the organization of cooperative societies, protect their inter-



ests and carry out a general audit for all members societies. It also publishes a cooperative newspaper, conducts classes in cooperative accountancy, cooperative economics, and in other ways aims to promote the interest of cooperation in Esthonia. On January 1, 1923, the membership of this Union was represented by 304 local societies. The principal groups were 155 consumers' societies, 62 loan-savings associations, and 23 dairy associations.

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#### FARMERS' COMPANY OWNS EIGHTEEN ELEVATORS

Devils Lake, N. Dak., is headquarters for the Farmers' Grain Company, which is a farmer-owned organization operating 18 elevators. The company was formed in 1904 by a group of farmers who the previous year had built a railroad northward from Devils Lake. The company's annual dividends on capital stock have averaged 10%. It holds memberships in the Minneapolis Chamber of Commerce and the Duluth Board of Trade. Since beginning operations over 25,000,000 bushels of grain have been handled. During the year ending May 1, 1922, over 310,500 bushels of grain were handled, from which was realized a gross profit of \$58,400. There were also profits from the sale of coal and from storage. The elevators are valued at \$160,700.

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#### CONSUMERS' PROFIT FROM COOPERATIVE ACTIVITY

Rebates amounting to five per cent of their purchases were made to the consuming patrons served by the Franklin Co-operative Creamery Association, Minneapolis, Minn., during the first six months of 1923. These rebates amounted to \$56,612. In addition to the total of the rebates there was left in the association treasury an undivided balance of \$45,538. The total receipts of the association during the six-months period were \$1,461,713 and the larger items among the deductions were, milk purchases, \$823,100; delivery expense, \$240,000; processing expense, \$81,100; administrative expense, \$33,000.

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#### TWO-HUNDRED THIRTY-FOUR POSSIBLE COTTON POOLS

Two-hundred thirty-four possible pools are being provided for by the Oklahoma Cotton Growers' Association in connection with the marketing of the 1923 crop. Numerical symbols have been worked out for the different pools. The figures 1 to 26 are used to indicate color and grade. The length of staple is indicated by figures in the hundreds column.

FARMERS' GRAIN COMPANY FUNCTIONING FOR NINETEEN YEARS.

The Farmers Grain Company, Pleasanton, Nebr., has been selling grain for its members since 1905. According to its secretary, C. Vincent, it was the first organization to be chartered under the Nebraska Cooperative law of 1905, which permitted the adoption of by-laws providing for the distribution of net profits in proportion to the amount of business transacted rather than the amount of capital invested. Mr. Vincent claims to have written the checks for the first patronage dividends paid under the provisions of the cooperative law.

The company is authorized to issue capital stock to the amount of \$250,000, divided into shares of \$100 each. It is governed by a board of five directors. In 1912 the organization claimed to be the "largest and strongest company in Nebraska, having over 400 stockholders, over \$36,500 paid-up capital and surplus, with six elevators in operation." At that time there were "no heavy overhead expenses, the pay of the directors including the president being limited to \$3 a day for attendance on official business." The general manager was paid a commission on sales.

During the years 1915 to 1917 the company operated seven elevators and handled from 630,000 to 890,000 bushels of grain annually. Since 1918 but four elevators have been operated, these being located at Pleasanton, Rosalie, Pool and Millier.

The number of bushels of grain handled during the years ending April 30, 1911 to 1923, is as follows:

Year	Wheat	Corn	Other Grains	Total
1911	110,662	297,614	33,071	441,347
1912	63,336	468,295	35,190	566,821
1913	185,757	466,902	112,112	764,771
1914	136,720	503,189	152,589	792,498
1915	190,878	538,259	165,940	895,077
1916	172,220	340,339	119,741	632,300
1917	253,374	329,851	192,223	780,448
1918	29,741	253,157	96,644	379,542
1919	63,649	139,305	92,633	300,587
1920	81,638	267,852	79,007	428,497
1921	27,885	263,964	41,953	333,802
1922	69,428	322,705	52,381	444,514
1923	60,138	116,020	28,405	204,563
Total	1,445,476	4,307,452	1,202,394	6,955,322

The grain is largely sold on the Omaha Grain Exchange by the secretary of the company who is also secretary of the Vincent Grain Company, having a seat on the Omaha Grain Exchange.

WESTERN CATTLE PRODUCERS COOPERATING WITH CORN BELT FARMERS.

Three special methods for marketing live stock have been evolved by the Western Range cattlemen. These may be called the mail-order method, the auction method and the feeder-buyer method.

The first is illustrated by the disposal for many years of the "S. M. S." brand of calves and short yearlings on mail orders. It is believed that this system would lend itself most readily to individual effort in selling the product of a single outfit operating on a large scale.

The second method is the one originated by the Highland Hereford Breeders' Association, Maria, Southwestern Texas, and has been successfully operated by this organization for three years. This association composed of a number of ranchmen who produce high-grade cattle of uniform breeding and character functions as a cooperative enterprise. This association conducts each fall a series of auctions at central distributing points in the Corn Belt. The various owners who are to consign cattle to each of these sales are selected in accordance with a plan carefully worked out in advance and the standard of quality of the individual consignments is fixed by a sifting committee, composed of members of the association. The sales this year will be at Decatur, Ill., and Indianapolis, Ind. The auctions are well advertised. Furthermore the activities of the association are kept before buyers by exhibits at the big cattle shows.

The third method is the exact reverse of the second. It contemplates bringing Corn Belt farmers to the range country every fall at the instigation of a cooperative association of breeders, there to obtain their requirements, either at auction or by private deals with the members of the association. This plan was successfully demonstrated last year by the newly organized Midland Hereford Breeders' Association at Midland, in Western Texas. Over 15,000 head of the 1922 crop of calves were sold to Corn Belt buyers, a large percentage of these going to Iowa. The membership of this association has greatly increased during the year and it is planned to have for sale 21,000 calves, 1,500 head to be sold at auction, the remainder at private sale. The sale is scheduled for Midland, October 4 and 5.

The cattlemen of the four counties, Hemphill, Roberts, Ochiltree and Lipscomb, Texas, in July, 1923, organized the Northeast Panhandle Breeders' Association, Canadian, Texas. This organization is to be similar to the Highland Hereford Breeders' Association, and its main purpose is to advertise the cattle of that section to the feeders of the Corn Belt States and sell the cattle at home instead of through the market.

On June 30, 1923, the Wichita-Brazos Breaks Hereford Association, Benjamin, Texas, was organized by the majority of the breeders of high-grade Hereford cattle in Knox and King counties, Texas. The object of this association is to encourage, its members to improve the type and quality of their cattle, to establish closer trade relations between the producers and the buyers of stocker and feeder cattle, and to cooperate in advertising and selling their product. It is expected that between 10,000 and 15,000 head of feeder calves will be ready for sale this fall.



The Arizona Cattle Growers' Association, Phoenix, Ariz., has this year undertaken a similar marketing plan in order to distribute its range cattle satisfactorily.

The Lea County Hereford Breeders' Association was recently organized in New Mexico with 18 charter members. This association expects to have 10,000 calves for sale this fall.

In Oklahoma, the Beaver County Hereford Feeder Cattle Association was organized last July along lines similar to those of the other associations. This is the second organization of its kind in Oklahoma, the Addington Association being the first.

At Ten Sleep, Wyoming, the stockmen have also organized in an effort to cooperate with the Corn Belt farmers in the hope that a permanent method of marketing may be evolved.

Cattle growers from ten counties in Texas organized the Concho Hereford Breeders Association at San Angelo, May 26, 1923. The purpose of the organization is to encourage the production of standard high-grade calves, advertise the cattle ready for sale and conduct cooperative auctions.

Standardization of product is the foundation of these several marketing programs. It is believed by the producers that standardization coupled with sound business integrity will in a few years establish a national market for range cattle in the stocker and feeder area, with mutual benefit to the western producer and the Corn Belt farmer.

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#### POULTRY MARKETING ASSOCIATION FORMED IN KENTUCKY.

The Farmers Union Poultry and Egg Association, Lexington, Ky., was incorporated August 24, 1923. The purpose of this association is to market cooperatively the eggs and the poultry of its members. A marketing agreement covering the years 1922 to 1927, signed by the members, provides for the sale by members and the purchase by the association of poultry and poultry products. The territory to be covered by the association has been divided into six districts in each of which a central packing house and cold storage plant is to be established, as soon as the local membership justifies. It is proposed to grade and pack both eggs and poultry for the New York market.

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#### VERMONT MAPLE PRODUCTS BEING MARKETED COOPERATIVELY.

About 17,000 gallons of maple sirup or its equivalent in sugar of the 1923 crop had been received by the Vermont Maple Products Cooperative Exchange, Essex Junction, Vermont, up to September 1. Additional receipts are expected from growers before the 1924 harvest begins. The greater part of the sirup has already been marketed at satisfactory figures.



FEDERATION SELLS FRUIT FOR NINE LOCALS

Three hundred sixty-six cars containing 237,400 boxes of Satsuma oranges and kumquats were marketed by the Gulf Coast Citrus Exchange, Silverhill, Ala., during the year ending March 31, 1923. The total receipts from sales amounted to \$524,408. The average gross selling price per box, the average net price, and the average net amount paid to growers for the oranges sold under the different trade names, are given in the following table:

Brand	Number of Boxes	Average Gross	Average Net	Average Net to Grower
Sugar Sweet	72,540	2.55	1.89	1.35
Gulf Breeze	119,250	2.23	1.59	1.09
Sunny South	28,656	1.88	1.26	.78
Jumbles	12,421	.98	.74	.37
Culls	4,263	1.19	.87	.59

In addition to the above, 348 boxes of kumquats were marketed at an average of \$3.50 a box. The net sales per box amounted to \$2.32 and the average net to the grower was \$2.05.

The Exchange is the selling agency for nine locals established at points in the Mobile Bay section. Sales were made largely through the established selling agencies in the channels of trade. A total of \$30,892 was paid for selling service. In addition, a commission of 6% on all sales was levied for the maintenance of the exchange. The chief items of expense in connection with the operation of the exchange were: field service, \$7,872; clerical help, \$2,735; salary of manager, \$1,500; telephone, telegraph and stationery, \$862; advertising, \$133. The total exchange expense was \$14,897.

In addition to functioning as a selling agency the exchange also served as a purchasing agent for the packing-house supplies used by the locals. Supplies amounting to over \$50,000 were purchased. During the year \$24,319 was expended for permanent improvements and packing-house equipment.

There was considerable variation in the expense of grading, packing and selling the fruit. The expense of selling the sized oranges was 5-3/4% of the selling price; in the case of the jumble pack it was 7% and in the case of the culls, 1-1/2%. The selling expense for the kumquats was 7-1/2%. The expense in connection with grading and packing the fruit amounted to 92.15¢ a box for the sized fruit, 42.27¢ a box for the jumble pack, 35.77¢ a box for the culls, and 106.77¢ for the kumquats.

CALIFORNIA ASSOCIATION ADOPTING NEW POLICIES

New policies are being adopted by the California Prune and Apricot Growers' Association, San Jose, Calif. Among these is one relative to the point of view to be held by the management as regards the growers. Hereafter it is to be "your association, your business, your concern." The management in the last issue of the *Sunsweet Standard*, the house organ of the association, says in part: "The men and women in the San Jose office would be looking for jobs in 24 hours if you (the growers) stopped raising prunes and apricots..... The *Sunsweet Standard* is your magazine..... Make your voice heard in your own affairs."

An export sales department has been created and supplied with the slogan, "Prunes and apricots on every table in the civilized countries of the earth." An experienced man, employed to head the new department, sails for Europe in the near future for the purpose of opening new markets. It is proposed to create a world market for dried prunes and apricots.

Another item of the new policy is the reduction of expenses. Already the efficiency department has been eliminated with a saving of \$12,000 a year. The deposits of the association, which have been carried in 67 banks scattered throughout the territory served by the association, are to be concentrated in four banks, with a saving of between \$4,000 and \$5,000 a year.

The general manager and the sales manager are to make a trip through the eastern States to strengthen existing friendly relations with those in the trade handling *Sunsweet* products.

*Sunsweet* oil, a by-product, is being introduced on the market to be used for salad oil and for cooking.

Plans are being matured for a more intensive advertising campaign. Considerable effort is to be made to create a constant demand for prunes in two-pound cartons.

The secretary-treasurer of the association has compiled figures regarding the dollar which the consumer pays for prunes. These figures show that the grower gets 40¢; the retailer, 25¢; the wholesaler, 11.3¢; transportation agencies, 6.8¢; brokers 2.2¢; while 8.3¢ goes for packing; 2.4¢ for advertising; 1¢ for discount, and 3¢ for the support of the association.

The carry-over of fruit from the crop year of 1922 is very heavy. On August 25 the association held 30,683,345 lbs. of prunes and 3,505,538 lbs. of apricots from the crop of 1922. In addition it has received of the 1923 crop 196,163 lbs. of prunes and 16,859,158 lbs. of apricots.

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DARK TOBACCO GROWERS TO BUILD FOUR WAREHOUSES

Contracts have been let by the Dark Tobacco Growers' Cooperative Association, Hopkinsville, Ky., for four new warehouses, to be located at Hopkinsville, Morganville, Hawesville, and Mayfield. They will be of concrete and brick construction.

LOCAL FRUIT PACKING ASSOCIATION INSPECTS ORCHARDS OF MEMBERS

A tour of inspection of the orchards was made August 30 by the members of the Western Monroe Cooperative Fruit Packing Association, Brockport, N. Y. This is one of the 35 locals of the Western New York Cooperative Fruit Packing Association, Rochester, N. Y., and has 17 members, representing about 200 acres of apple orchards in bearing, besides considerable acreages of peaches, pears, grapes and prunes.

The party, consisting of 45 persons, followed a prepared schedule, each member leading the procession of cars to his own orchard. A representative of the Western New York Cooperative Fruit Packing Association, a representative of the Federal Market News Service, and a representative of the Monroe County Farm Bureau, accompanied the expedition and aided with comments, suggestions and advice regarding the trees and fruit.

A stop was made at noon at the home of the president for a picnic dinner, and during the afternoon the party visited the new packing house being erected in Brockport by the local association at a cost of about \$15,000. This building is of reinforced concrete construction and has a storage capacity of 6,000 barrels. Funds for its erection were furnished by a local bank with the growers' notes as security.

During the 1922 season the local association handled 12,000 barrels of apples at a cost of 40¢ a barrel. Peaches, pears, grapes and prunes were also sold.

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COTTON ASSOCIATION COLLECTS DETAILED CROP INFORMATION

During the summer the local managers of the Staple Cotton Cooperative Association, Jackson, Miss., collected statistical data from 3,547 planters in the Delta counties of Mississippi. Their reports indicate that 73% of the land under cultivation is in cotton, that the 1923 cotton acreage is 6.5% greater than the 1922 acreage, and that the acreage in feed is 3.4% greater. The above information and other facts obtained are being used by the management of the association in formulating its plans for the 1923-24 selling campaign.

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GEORGIA FRUIT EXCHANGE BEING REORGANIZED

At a meeting held at Macon, Ga., August 29, it was decided by the stockholders of the Georgia Fruit Exchange, Albany, Ga., to reorganize the exchange so as to include additional cooperative features. It is proposed to enlarge the activities of the organization to include collective purchasing, to provide for more adequate financing, and to provide for the standardization of the various existing grades for the different products handled.



### MISSOURI FARMERS ADOPT BINDING CONTRACT

The binding marketing contract has been adopted by the Missouri Farmers' Association, according to a statement recently made by the secretary. Official action was taken at the seventh annual meeting of the association at Sedalia, August 27 to 30, which convention was attended by 6,000 farmers. The action contemplates that all merchantable grain, live stock and produce shall be sold through the local and terminal marketing facilities provided by the association, as soon as 75% of the farmers in any community have signed the contract. It is also expected that the contract will apply in the purchase of flour, feed, fertilizer, binder twine, etc.

The Missouri Farmers' association has a membership of approximately 70,000. Its members own and operate 400 grain elevators and produce exchanges, 300 live-stock shipping associations, 9 cold-storage plants, and 3 terminal-market live-stock selling agencies. It is estimated that its shipments of poultry and eggs for 1923 will amount to 2,000 cars and its purchases of cream to \$3,000,000.

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### ONE HUNDRED THOUSAND ACRES GEORGIA PEANUTS UNDER CONTRACT

September 20 is the date set for the recently formed Georgia Peanut Growers' Cooperative Association, Albany, Ga., to begin receiving peanuts. Arrangements have been made for 20 bonded warehouses scattered throughout the peanut-producing section to function as permanent receiving agencies. It is announced by the officers of the company that advances of \$60 and \$50 a ton will be made upon No. 1 and No. 2 grades respectively, upon the turning over of warehouse receipts, receivers' certificates, or bills of lading.

On September 7 the membership of this organization was nearly 6,000 and the number of acres of peanuts covered by marketing contracts was over 100,000.

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### MISSISSIPPI COTTON GROWERS TO RECEIVE FOURTEEN-CENT ADVANCE

An advance of 14¢ a pound is announced by the Mississippi Farm Bureau Cotton Association, Jackson, Miss., for the 1923 cotton crop. This advance will be made through the medium of drafts drawn by growers and accompanied by bills of lading or compress receipts. As soon as the cotton is received and classed by the association the advance will be increased to 17¢ and 20¢ according to the grade and the length of staple.

An effort is being made to increase the membership of the association to 20,000 by October 1. The present membership is in the neighborhood of 19,000.



PRACTICES OF STRAWBERRY MARKETING ASSOCIATIONS

Reports received by the U. S. Department of Agriculture from 21 associations marketing strawberries, indicate that 8 of the associations have contracts with growers and 12 do not. Twelve of the associations pool their shipments and 6 do not. In the case of 7 of the associations the pools continue for but one day, one association conducts pools that cover three or four days, and two associations conduct pools lasting 30 days. One association shipped to 42 markets in 1922, one to 20 markets, one to 18, and one to 12.

Fifteen of the associations made sales on a cash-on-track basis, 8 on wire orders, 2 sold through auctions, and 5 consigned their shipments.

Five associations reported that appropriations were made for advertising in 1922, the largest appropriation being \$1,800. Twelve associations sold to distant buyers, and 8 used cooperative selling agencies.

Sixteen of these associations shipped 927 cars of strawberries in 1922, with an estimated valuation of \$1,102,055. The organizations were located in nine States, as follows: Arkansas, 6 associations; Tennessee, 3; and one each in Alabama, Delaware, Kentucky, Louisiana, Missouri, Oklahoma and Washington.

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MILK-COAT PRODUCERS ORGANIZING FOR MARKETING

The California Milk-Coat Breeders' Marketing Association was recently incorporated. The objects of this organization are: to find markets for milk goats, to assemble goats for carlot shipments to eastern markets, to conduct an educational campaign stressing the value of goat milk as a food for adults as well as infants, and to combine the supply of goats' milk and operate milk routes. A membership campaign, with a State-wide organization in view, is under way.

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RHUBARB MARKETING AT LOW COST BY CALIFORNIA ASSOCIATION

At a cost of \$3,300, about 1-1/2% of sales, the management of the California Rhubarb Growers' Association of Alameda County, sold produce for its membership to the amount of \$211,000 in 1922. The commission permitted the association amounted to \$9,672, of which amount nearly \$6,000 was returned to the growers as a patronage dividend at the close of the season. Ninety-five per cent of the rhubarb acreage of Alameda County is represented in the association.

OVER SIXTEEN THOUSAND DOLLARS PASSED TO SURPLUS

In addition to refunding \$69,000 to shippers of live stock the Chicago Producers Commission Association placed \$16,300 in its surplus account during the year ending June 30, 1923. The total operating income for the year was \$232,700, according to the annual statement of the association. The operating expenses amounted to \$67,600, of which amount \$59,400 was for salaries. The administration expenses amounted to \$78,900. The larger items making up the total were, general salaries, \$40,000; advertising, \$7,300; national office, \$5,900; office supplies, \$3,800. The total balance available for refund and surplus was \$85,459.

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CALIFORNIA PEAR GROWERS GET RESULTS FROM ADVERTISING.

Frank T. Swett, president of the California Pear Growers' Association, San Francisco, Calif., in a review of the outlook for the marketing of the 1923 pear crop states that, "The cities in which advertising was done by the association are showing liberal consumption of pears . . . ." and that without the advertising "prices would have run from 15 to 25 cents cheaper."

Growers are receiving \$10 a ton as first payment on pears delivered. The second payment is scheduled for the middle of September and the final payment for early in October.

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COTTON ADVANCES FOR 1923 ANNOUNCED IN ARIZONA.

Advances varying from 1-1/4¢ a pound to 20¢ a pound are being made by the Arizona Pimacotton Growers, Phoenix, Ariz., on the 1923 crop of cotton now being delivered. The smaller amount is on short staple cotton in the seed, while the larger amount is on ginned Pima cotton that grades No. 1. The advance on Pima grading No. 2 is 18¢, No. 3, 16¢ and No. 4, 14¢.

The association is interested in six gins located in the cotton-producing section, also in the Arizona Cotton Processing Company and in a company handling cottonseed oil.

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DEMONSTRATION OF PROPER METHODS OF FIRING TOBACCO.

Demonstrations in the proper methods of firing tobacco are being arranged by the management of the Dark Tobacco Growers Cooperative Association, Hopkinsville, Ky. It is planned to send experienced men into the different sections to hold demonstrations at the tobacco barns.